

EX PARTE OR LATE FILED

BELLSOUTH

Kathleen B. Levitz
Vice President-Federal Regulatory

December 3, 1998

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EX PARTE

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DEC - 3 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW, Room 222
Washington, D.C. 20554

Re: CC Docket No. 98-56 and CC Docket No. 98-121

Dear Ms. Salas:

This is to inform you that Chris Shagnea and the undersigned, both of BellSouth, and Dr. Fritz Scheuren, Dr. Susan Hinkins and Dr. Ed Mulrow of Ernst & Young met with members of the Common Carrier Bureau staff. The following Common Carrier Bureau staff members attended at least part of the meeting: Alex Belinfante; Claudia Fox; Jake Jennings; Michael Pryor; Andrea Kearney and Daniel Shiman.


During the meeting, BellSouth representatives described workshops that the Louisiana Public Service Commission ("LPSC") staff held on November 30 and December 1 in LPSC Docket No. U22252 – Subdocket C. The purpose of these workshops was to identify the performance measurements, standards and statistical analyses that the LPSC should use to determine whether BellSouth is meeting its statutory obligation to provide CLECs with nondiscriminatory access to UNEs and services. In particular we focused upon the efforts of Ernst and Young to develop statistical tests for analyzing performance data to determine whether BellSouth was meeting those statutory obligations. The presentation was based upon the two enclosed attachments and the filing included in our notice of written ex parte filed on December 2, 1998 in the two dockets identified above.

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Because the Commission has been considering issues related to performance measurements and standards in both proceedings identified above, we are filing notice of this ex parte meeting in both dockets, as required by Section 1.1206(a)(2) of the Commission's rules. Please associate this notice with both.

Sincerely,

A handwritten signature in cursive script that reads "Kathleen B. Levitz".

Kathleen B. Levitz
Vice President- Federal Regulatory

Attachments

cc:	Alex Belinfante	Claudia Fox	Jake Jennings
	Andrea Kearney	Michael Pryor	Daniel Shiman

STATE OF PLAY

READY-TO-CALL

MODIFYING OPERATIVE
SYSTEMS

ADJUSTING FOR
LINE-TO-LINE

NEED FOR DEEP
TESTING

FEASIBILITY OF LARGE
NUMBERS OF TESTS

PERMUTATION TESTING

IMPROVED TEST

STATE OF PLAY - CONT

READY TO CALL

IMPROVE BJT
SENSITIVITY TO CLEC
VARIANCE DIFFERENCE

TWO-SIDED TESTING

SIGNIFICANCE LEVEL (± 2 , ± 3)

OPEN STILL

MORE MEASURES TO
BE LOOKED AT

MORE FOLLOWUP ON
WITHIN WINE CENTER
VARIABILITY

STATE OF PLAY - CONT

OPEN STILL

FURTHER WORK ON
MSA / LATA

"CHOOSING" 5 TO 10
KEY MEASURES

CONFIRMING BEST
APPROACH WORK)
GENERALLY

INDEPENDENCE

STATISTICAL
PROCESS
CONTROL

BST

LCUG

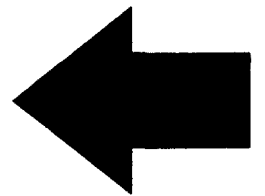
Initial Request

Introduction

First Results

Root Cause?

Methods Review



Break

Likes

LCUG

FCC

BST

Likes-To-Likes

All Three “Modified Zs”
Can Be Adjusted By Our
Methods To Compare
Likes-To-Likes

But There Is More Than
One Way To Do So

We Have Standardized
For Differences In
Service Mix

We Recommend
Testing The Adjusted
Values Which Result

Fine Disaggregation
And Deep Testing Is
An Alternative But
Not Our Choice

Using SQM Reported
Values Without
Refinement Is Also
Not Recommended

Key Is To “Match”
Likes-To-Likes As
Deeply As Possible

While Testing At A Very
High Level To Avoid
Assumption Failures

Efficiency

LCUG

FCC

BST

All Three “Modified Zs”
Have Essentially The
Same Efficiency

BST Variance Estimates
Become Equivalent To
LCUG And FCC Test
Statistics When All
Assumptions Hold

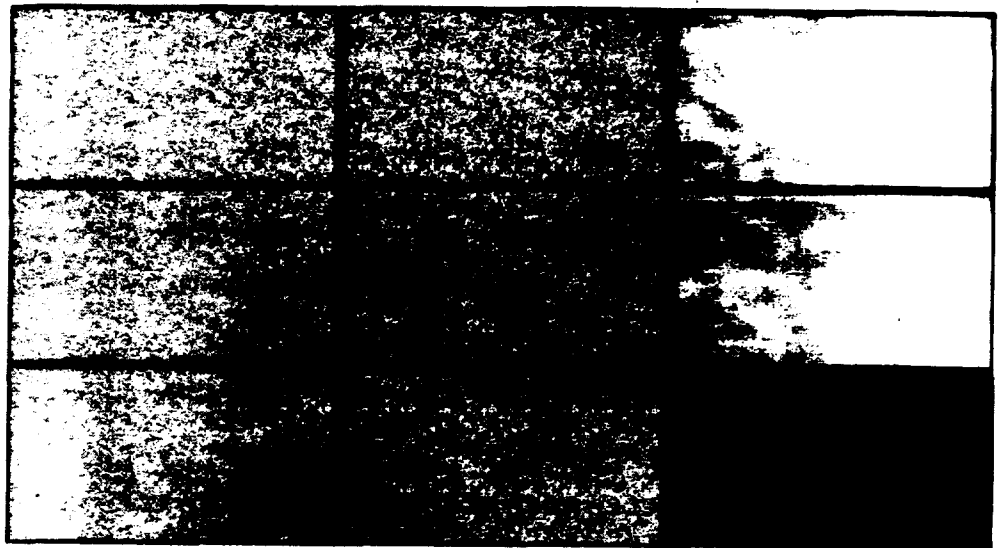
Variance Calculations In The BST Version Generalize Readily Across Many Measures And Over Time

Assumptions

LCUG

FCC

BST



Appropriate Assumptions

The Methods We Have
Loosely Titled The “BST
Approach” Work Well In
Settings Where LCUG Or
FCC Do Not

For OSS Response
Interval We Saw LCUG
And FCC Could Not Be
Calculated

We Did Devise A
Successful BST Test
For OSS

We Found Evidence Of Dependence Within Comparable Services Within A Wire Center

Wire Centers Are
Different

These Differences Must
Be Accounted For

Only BST Does This

	Likes	Efficiency	Assumptions
LCUG			
FCC			
BST			

Bottom Line

Essential To Refine
Like-To-Like As Much
As Possible

We've Only Begun
Here

Making Comparisons Of
Adjusted Values Also
Improves Soundness Of
BST Distributional
Assumptions

Efficiency And Power
Of All Methods Roughly
Equal

BST Behaves Better In
Some Key Settings And
Never Worse

“BST Approach”
Is Flexible Enough To
Be Safely Used In
Settings Studied

Initial Request

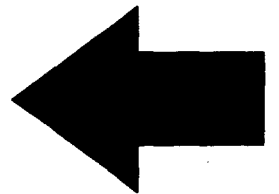
Introduction

First Results

Root Cause?

Methods Review

Break



Disaggregation Request

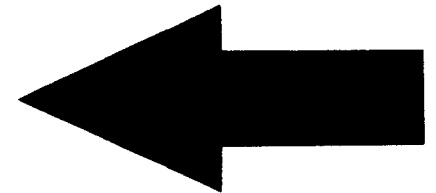
Introduction

Geographic Analysis

Simulations

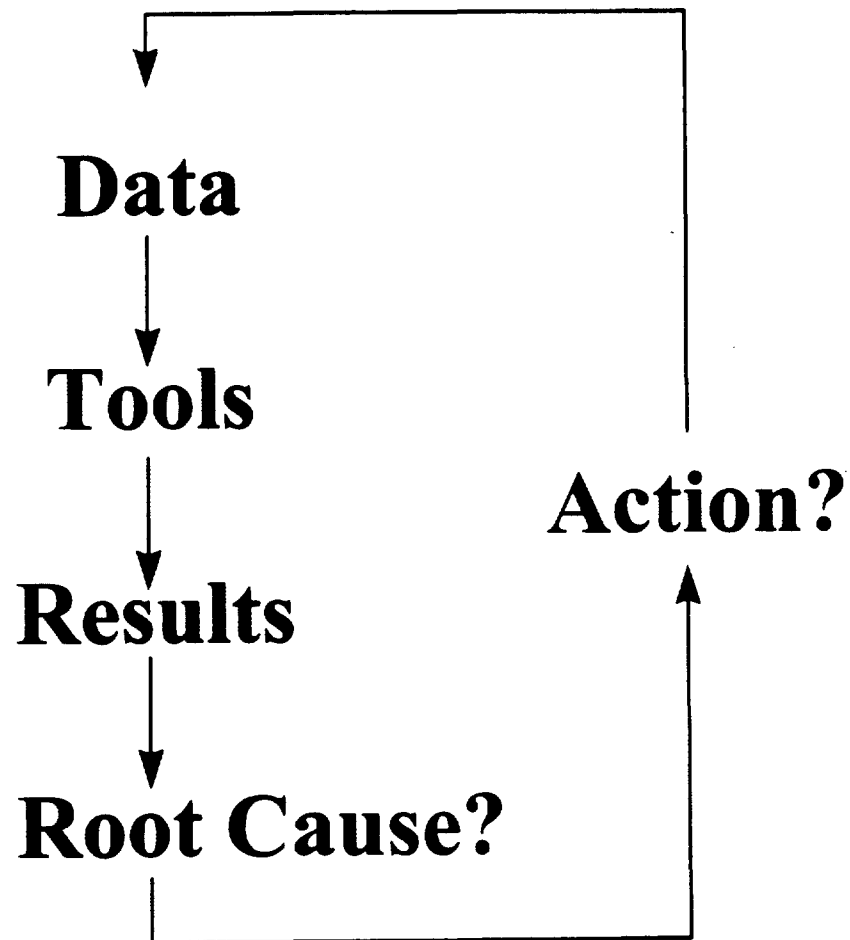
Recommendations

Wrap-Up



End

Overall BST Approach



All Three “Modified Zs”
Have Essentially The Same
Efficiency

BST Variance Estimates
Become Equivalent To
LCUG And FCC Test
Statistics When All
Assumptions Hold

The Methods We Have
Loosely Titled The “BST
Approach” Work Well In
Settings Where LCUG Or
FCC Do Not

BST Calculations Are
Feasible To Set Up And
Keep-Up

Key Is To “Match”
Likes-To-Likes As
Deeply As Possible

While Testing At A Very
High Level To Avoid
Assumption Failures


Fine Disaggregation
And Deep Testing Is
An Alternative But
Not Our Choice

Using SQM Reported
Values Without
Refinement Is Also
Not Recommended

“BST Approach”
Is Flexible Enough To
Be Safely Used In
Settings Studied

We Expect BST
Variance Calculations
To Generalize Readily

Commission's Standards

	Likes	Efficiency	Assumptions
LCUG			
FCC			
BST			

Our Standards

Respects Data

Appropriate Assumptions

Understandable

Efficient

Feasible

Improvable

Actionable

Not A “Gotcha”

“Fair”